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THAT SUMPTER-BOURNE RAILWAY WILL BE BUILT

It is now up to the people of Sumpter and of the Sumpter mining district to say whether or not a railway shall be built from this city to Bourne.

David L. Killen, president of the Killen, Warner, Stewart company, promoters of the Sumpter-Bourne railway enterprise, has presented the proposition to the public in the following coherent shape:

"To Messrs. Cato Johns, William H. Gleason and Fred D. Fuller, Committee:

"Gentlemen: We are prepared to take up the proposition of building a railroad from Sumpter to the Cracker Creek district. Our estimates of cost are that it will require \$250,000 to finance the project. This money we propose to raise by subscriptions to the capital stock of the company, and by an issue of first mortgage bonds amounting to \$200,000, secured on the railroad, its rolling stock and equipment.

"We are prepared to go ahead with the project if the people of Sumpter and vicinity will, as an evidence of faith in the project, subscribe and pay for one-tenth of these bonds.

"If you will within the next ten days secure subscriptions to the amount of \$20,000 for this enterprise, for which the subscriber will receive the bonds above mentioned at par, dollar for dollar for their subscriptions, we will raise the balance of the money and proceed with the building of the road during the present season. The bonds above mentioned to be 5-20 bonds, to bear interest at six per cent per annum.

"Respectfully submitted,

"Killen, Warner, Stewart Co.,

"Per, D. L. Killen,

"President."

When Mr. Killen arrived in Sumpter last week from the Chicago office of his company, and announced that he was prepared to consummate the long-standing project, he discovered that opposition to the enterprise had developed in certain quarters. He considered the advisability of calling a mass meeting of Sumpter's citizens to sound public sentiment, but decided to personally interview the recalcitrants and present privately a few arguments in favor of the enterprise. This policy was successfully followed, with the result that the hammers of the knockers began gradually to disappear from public view. Sunday evening a number of representative citizens met with Messrs. Killen and Warner in the law office of N. C. Richards and a committee, consisting of Cato J. Johns, the big merchant; William H. Gleason, the mayor, and Fred D. Fuller, the general manager of the smelter, was appointed to carry

out the terms of the K., W., S. company's offer. The above communication from President Killen to the committee was a result of that conference, and the committee at once began an active campaign. The following subscription paper is being circulated by the committee:

"We, the undersigned, hereby subscribe for the amounts set opposite our respective names, to be used in the construction of a railroad from Sumpter to the Cracker Creek district, in accordance with the proposition submitted by the Killen, Warner, Stewart Co., hereto attached.

"We to receive for subscriptions first mortgage bonds secured on the road, its rolling stock and equipment, payable in five or twenty years from the date thereof and to bear interest at the rate of six per cent per annum.

"We hereby agree to pay the several amounts subscribed by us in installments as follows:

"Twenty-five per cent of the amount subscribed when the road bed is graded to what is known as the Half Way House;

"Twenty-five per cent of said subscriptions when the road is graded to the town of Bourne;

"Twenty-five per cent of said subscription when the bill of lading for the rails is received at Sumpter, Oregon.

"The balance of said subscription, 25 per cent, to be paid when said railroad is completed.

"Said bonds to be delivered to us whenever the full amount is paid."

It developed in the course of Mr. Killen's conference with those few citizens who opposed the building of the railway, that the main opposition was based upon the estimate of cost made by the engineers. This opposition assumed that the road could be built and equipped for about \$75,000 and that the \$250,000 estimate of the promoter was for the purpose of providing a basis for private graft. It is a matter of congratulation that this idea was entertained by only a few people in Sumpter. The report of the engineers is the basis on which the cost of the road is estimated. The past and present operations of the Killen, Warner, Stewart company in this camp certainly affords no shadow of basis for a suspicion of graft. In passing, it might be pointed out that the K., W., S. company is responsible for the building of the Sumpter smelter, for the successful promotion of the Standard mine, for the initial promotion of the California, Cracker Summit, Oregon Monarch, Black Jack and other mining companies in this camp and the firm was also largely instrumental in a

successful reorganization of the Red Boy.

It is a fact not generally known, but a fact, nevertheless, that Mr. Killen, president of the company, has on more than one occasion heavily invested his own private funds in mining companies of his firm's promotion, and that so far he and his associates have devoted themselves solely to the important work of building up the camp, in pursuit of the purely business policy that in developing their promotions to a dividend-paying basis they will the more surely enhance their own private holdings and reap due and proper profits. No promotion firm in the northwest stands higher in the estimation of investors than the Killen, Warner, Stewart company, and no firm operating in Oregon boasts such a record of successful promotions. The suspicion, therefore, that the K., W., S. company has, at this late day, descended from this high position to one of graft is a reflection more on the intelligence of the people of Sumpter than upon the honesty of Mr. Killen and his associates.

As a matter of legitimate fact, the projected Sumpter-Bourne railway, while of short length, presents some engineering difficulties of no mean magnitude. A drive up the canyon from Sumpter to Bourne gives no idea to the uninitiated of the actual cost of building a railway along such a route. At first glance the Powder river canyon presents the appearance of a natural waterline grade. This presumption is shattered by making a trip down the canyon from Bourne, especially on bobbeds during the winter time, when it will be seen that the descent is remarkably rapid, a fact easy to escape notice in making the up-trip. A close examination of the route will also reveal the fact that the canyon is decidedly tortuous; that a steam railway, limited to a certain degree of curvature, and to a certain gradient, would require many bridges across the serpentine Powder river, particularly above the Halfway house, where the canyon narrows in places to the width of a street, with solid rock walls on either hand. Furthermore, after Halfway is passed, the grade is remarkably steep, with a still greater increase from Hanover to Bourne, necessitating a projection of the grade high above the stream in order to overcome the rapidly-increasing elevation. All these features conspire to make the line costly in grading and, furthermore, necessitates many precautions for maintenance during the rather rigorous winters in this region. It is not improbable that snowsheds will be required at certain

places and along the entire line safeguards are necessary against snow slides and washouts. From all of which may be deduced the correct conclusion that the \$250,000 estimate of the promoters is most conservative, especially so when the matter of future branches is considered. It is the aim of the promoters to ultimately construct a branch line up Swill Hollow and Silver Creek to Cable Cove. The initial bond issue must be made to provide funds of this contingency. The matter of equipment enters also into a discussion of probable cost. Owing to the rather heavy gradient necessary of adoption to reach the upper terminal, powerful locomotives must be purchased, and rails and ties must be of such a character as to successfully withstand such weight and the extra-ordinary weight of ore trains. In brief, \$25,000 per mile is a decidedly low estimate of cost for a railway through such a mountainous region as intervenes between this city and Bourne.

Not since the original inception of the Sumpter-Bourne railway project has anyone advanced the assertion that the enterprise lacked feasibility from a profit-paying point of view. It is unanimously conceded, on the other hand, that such a road would be profitable from the moment of actual operation. The freight and passenger traffic existent, exclusive of the new traffic certain to be opened up by the provision of a cheap and rapid means of transportation, is of sufficient tonnage to pay interest on a bonded indebtedness in the sum decided upon, provide a suitable sinking fund, cover all costs of maintenance, and in addition distribute satisfactory sum in dividends. Aside from the profit assured local investors in the proposed bond issue, the increased commercial activity of Sumpter, guaranteed by the construction of such a road, appeals to the wise business men. As a matter of fact, Sumpter buyers of bonds will reap a three-fold profit—interest on bonds, dividends from stock bonuses and increased profit from sales of merchandise to new mines to be opened up by this road, and to an increased population of Sumpter and Bourne.

It has been an irrefutable presentation of these profitable features which has resulted in overcoming all opposition to the project, and which has assured the building of the road this summer.

The committee which is circulating the subscription paper anticipates no difficulty in securing the requisite number of pledges within the specified time limit. The "Sumpter spirit" is working.